

## **SB 198 – Loan Repayment Assistance for Teachers in Critical Shortage Areas**

According to survey data compiled by the Office of Public Instruction, <sup>Jan 2001</sup> **about 26% of students completing post-secondary education programs in Montana are remaining to teach in Montana schools.** This comes at a time when school districts are expected to face record numbers of teacher retirements throughout Montana. Given these trends, Montana could face a teacher shortage of as many as 200 teachers per year for the next several years.

One of the major factors behind Montana teachers' decisions to leave the state is the level of compensation and perquisites being offered by districts and other states in our region. **Beginning teaching salaries in Wyoming, Nevada, Washington, and California districts are as high as \$40,000 per year.** Additional incentives in these same states and districts, such as loan repayment and scholarships, are allowing Montana teachers to far exceed their overall earning potential in Montana, often by as much as \$20,000 - \$30,000 per year.

**Montana's school funding caps and declining enrollments have left Montana schools ill equipped to compete with other states in terms of teacher remuneration.**

Therefore, many of our rural districts, and even some of our larger ones, are experiencing significant shortages that will only worsen in years to come. **The following quotes from a Montana School Boards Association, Montana Rural Education Association survey of school administrators tell the story best:**

*"We try to fill (teaching positions) with quality people, but when it is a choice between one or none, you have to accept whatever you get. We are the ones being interviewed nowadays, not us interviewing the candidates..."*

*"We have teachers in our system that qualify for the free and/or reduced lunch program. What a shame."*

*"Our high school science teacher left after 4 years in Montana to go back to Michigan for a \$14,000 raise."*

*"Last year we had two teachers take positions out of state. The reason was salary increases. In both cases, the raise was more than \$10,000."*

Although SB 198 will come nowhere close to fully addressing these problems it will give Montana districts a badly needed tool in their ability to recruit staff to our most critical shortage areas. With the average student debt load of Montana University System graduates rising above \$22,000, this tool will be well utilized and will help mitigate the rush of Montana-educated teachers to other states.

## **SB 198 Testimony**

Montana teachers rank 48<sup>th</sup> in average salary

We are losing nearly 75% of our teacher education graduates to other states.

Beginning teaching salaries in California and Nevada districts that recruit Montana students are \$10,000 - \$20,000 higher than those in some of our best-paying districts.

The average student loan debt of Montana University System graduates is at an historic high – nearly \$22,000, (\$300 - \$400 per month)

Our teaching workforce is aging rapidly, with nearly 1/3 of our teachers expected to retire in the next 5 years.

Montana districts are hiring increased numbers of uncertified and untrained staff to fill key teaching positions in special education, science, music, and many other content areas. Just this past year 147 schools knowingly violated state accreditation standards, most because they were unable to hire certified staff.

And finally, due to limited state funds, declining enrollments, and school district general fund budget caps, significant change seems to be unlikely.

SB 198 is not the end-all solution, but it is a significant tool. One that is being employed in at least 25 other states.

SB 198 merely says that the state of Montana has a vested interest in trying to keep our best and brightest new teachers in state. It creates a cold, hard incentive for Montana's young teachers to go to our most rural or hardest to serve school districts and stay there.

Montana's teaching profession is at a critical juncture – we are bleeding badly and it is likely to get worse. A recent news report from Nevada suggests that Clark County – just one county in Nevada – is looking for 1500 new teachers this year. Guess where they are coming to recruit this spring... UM, MSU, Dillon, Havre, Billings, ... Every fall and spring I talk to groups of teacher education students – guess where they're going... Nevada, California, Utah, Washington for salaries nearly double what they are being offered in this state. Typically at least 50% say they want to stay in Montana. But when push comes to shove and they're looking at \$21,000 in Outlook, Montana, or \$37,000 in Bakersfield, California, the choice becomes relatively easy. Especially when a \$17,000 student loan obligation is thrown into the mix.

This legislature has the ability to at least slow the bleeding. We encourage you to do so by supporting SB 198.